PRESIDENT: Before you start, Senator Labedz, may I introduce some guests in the north balcony. Senator Beyer has 14 fourth and fifth and sixth grade students from Elkhorn Northeast District 41 with their teacher. Would you folks please stand and be recognized. Thank you. Senator Labedz, please. Are you going to take the amendments first?

SENATOR LABEDZ: Yes, Mr. President, the committee amendments to The committee amendments to LB 766 amend Section 4 and 9 of the bill to implement a requirement of the federal Clean Water Act that prohibits combining wastewater treatment grants with wastewater treatment loans. In order to receive grants, it reinstates Section 81-1533 which capitalization allows the Department of Environmental Control to carry out the current construction grants programs until the program is phased out in 1990. It also amends Section 6 to require a community to show serious financial hardship to qualify for a below market rate loan for wastewater treatment and adds the emergency clause in order to enable the Department of Environmental Control comply with EPA time schedules for the initial capitalization grant. I urge the adoption of the committee amendments.

PRESIDENT: Any further discussion? If not, the question is the adoption of the committee amendments. All those in favor vote aye, opposed nay. Please record, Mr. Clerk, please.

CLERK: 25 ayes, 0 nays on adoption of committee amendments, Mr. President.

PRESIDENT: The committee amendments are adopted. May I introduce a guest, please, of Senator Lowell Johnson under the north balcony. We have Jim Arneal of North Bend. Would you please stand, Mr. Arneal. Thank you. Senator Labedz.

SENATOR LABEDZ: Thank you, Mr. President. I move for the advancement of LB 766 to E & R Initial. Presently the federal government provides grants for construction of public wastewater treatment facilities to meet EPA water quality standards. In Nebraska, the state has assisted local communities by paying one-half of the nonfederal match. Congress amended the Clean water Act in 1987 to phase out the program of federal grants and replace them with a revolving loan program. The federal government's goal is to create a permanent financing pool at the state level and eliminate federal involvement entirely by 1994.